1.0 INTRODUCTION

The Sacramento Groundwater Authority (SGA) and it's member agencies, in cooperation with U.S. Bureau of Reclamation (Reclamation) proposes to conduct the "One-Year Project for Sale of Water from the Sacramento Groundwater Authority (SGA) and its Member Agencies to the CALFED Environmental Water Account (EWA)", referred to hereinafter as "the Project". This Environmental Assessment/Initial Study (EA/IS) has been prepared in compliance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). The document contains information required by Section 15071 of the CEQA Guidelines as follows:

- **Project Location/Names of Proponents** – provides the Project name and a list of the Project proponents.
- **Project Description** - contains a description of the proposed project actions.
- **Environmental Checklist** - provides the documentation supporting the findings contained in the FONSI and Negative Declaration. The Environmental Checklist and discussion (see Attachment 3) is presented with impact assessment conclusions and supporting documentation.
- **Mitigation Measures** - No mitigation measures are necessary for the proposed Project.
- **Environmental Factors Affected** - presents a summary of the environmental factors that may be affected and identifies whether these factors would be affected after mitigation.

The document also contains the information required for compliance with NEPA, including a purpose and need statement and sections on environmental justice, Indian trust assets, and the evaluation of a "No Action Alternative."

1.1 Purpose and Need for Proposed Federal Action

The purpose of the action being taken by the Reclamation as part of this Project is to purchase a portion of the 185,000 acre-feet (AF) of water identified as needed for the EWA in the Record of Decision (ROD) for the CALFED Bay-Delta Program. This along with other water acquisitions and use of operational flexibility are necessary to demonstrate the EWA is operational, which in turn allows the CALFED Agencies to provide a commitment that there will be no reductions, beyond existing regulatory levels, in Central Valley Project (CVP) or State Water Project (SWP) Delta exports resulting from measures to protect fish under the Federal Endangered Species Act and California Endangered Species Act. Reclamation has a need to take advantage of purchase opportunities early in the year given the variability of water markets, fisheries needs, and uncertainty early in the year over the available water supply to help demonstrate that there is an operational EWA.

1.2 Authorization for the Proposed Federal Action

Reclamation is a CALFED signatory and participating agency, and is committed to provide agency support of the EWA. Reclamation is authorized to acquire water for EWA purposes through Section 3406 (b)(3) of the Central Valley Project Improvement Act (Public Law 102-575—OCT. 30, 1992, TITLE XXXIV)

2.0 PROJECT LOCATION/NAMES OF PROPONENTS

The proposed Project is located in Sacramento, Placer, and El Dorado Counties, California (see Attachment 2). The proposed Project involves extraction of groundwater from the basin underlying Sacramento County north of the American River and surface water diversions from Folsom Lake and the lower American River. The Project proponents are: the SGA, Citrus Heights Water District (Citrus Heights), Fair Oaks Water District (Fair Oaks), Northridge Water District (Northridge), City of Sacramento, and San Juan Water District (San Juan). Reclamation is a direct Project participant (Reclamation will acquire water from the SGA and its member agencies on behalf of the EWA).

3.0 PROJECT DESCRIPTION

3.1 Overview

The SGA in cooperation with five of its member agencies, and Reclamation propose to conduct the one-year Project, using existing facilities and water rights and contract entitlements, to determine the operational and institutional feasibility of a conjunctive use program to provide American River water to the EWA, within and downstream of Folsom Lake. The SGA, its member agencies, and Reclamation will undertake policy, fiscal, and physical activities related to groundwater extraction and surface water diversion from Folsom Lake and the lower American River (see Attachment 2).

The institutional feasibility component of the proposed Project involves negotiating financial, operational, and other written agreements between the SGA, its member agencies, Reclamation. The activities associated with this particular component of the proposed Project will not cause, or result in, physical effects on the environment beyond those effects associated with the conjunctive use-related surface water transfer evaluated in this EA/IS.

3.2 Proposed Actions

The proposed physical actions involve extracting 10,000 AF of groundwater from the groundwater basin underlying Sacramento County north of the American River for delivery and consumptive use during March 1, 2002 through November 15, 2002 in lieu of diverting an equal volume of surface water from Folsom Lake or the lower American River during the same period. Specific physical actions include:

1) Citrus Heights will extract 2,500 AF of groundwater for delivery and consumptive use within the Citrus Heights service area. As a result of Citrus Heights' delivery and consumptive use of this groundwater, San Juan will reduce its delivery of treated surface water to Citrus Heights by 2,500 AF, permitting San Juan to reduce its diversion of surface water from Folsom Lake at the Sidney N. Peterson Water Treatment Plant by an equal volume.

2) Fair Oaks will extract 2,500 AF of groundwater for delivery and consumptive use within the Fair Oaks service area. As a result of Fair Oaks' delivery and consumptive use of this groundwater, San Juan will reduce its delivery of treated surface water to Fair Oaks by 2,500 AF, permitting San Juan to reduce its diversion of surface water from Folsom Lake at the Sidney N. Peterson Water Treatment Plant by an equal volume.

3) City of Sacramento will extract 5,000 AF of groundwater for consumptive use within the City of Sacramento. Use of this groundwater will permit forbearance of diversion of an equal volume of American River surface water to the E. A. Fairbairn Water Treatment Plant from the lower American River or to the Sacramento River Water Treatment Plant at the confluence of the American River and the Sacramento River.

4) San Juan will make 5,000 AF of surface water available for transfer from a portion of its Central Valley Project (CVP) contract entitlement (Contract No. 14-06-200-152A-IR5).

5) City of Sacramento will make 5,000 AF of surface water available through forbearance of diversion of a portion of its water right. City of Sacramento will make that water available pursuant to its State Water Resources Control Board (SWRCB) Permit Nos. 11358, 11359, 11360 and 11361, issued on SWRCB Application Nos. 12140, 12321, 12622 and 16060, as supplemented by the June 28, 1958 agreement between the City of Sacramento and United States Bureau of Reclamation entitled "Operating Contract Relating to Folsom and Nimbus Dams and Their Related Works and to Diversions of Water by the City of Sacramento".

6) Reclamation will acquire the 10,000 AF of water made available through the transfer and forbearance of surface water diversions described above on behalf of the CALFED EWA. Reclamation will release the 10,000 AF of water from Folsom Lake under a schedule designed to meet downstream EWA objectives during 2002.

This involves minor changes in the operation of Folsom Lake to account for the 5,000 AF of water made available for transfer by the San Juan Water District. Reclamation will release this 5,000 AF of water at the request by the EWA Management Agencies on a schedule designed to provide instream fisheries benefits and meet the needs of the EWA. This amount of water represents about one-half of one percent of the maximum storage volume of the reservoir.

The forbearance of water by the City of Sacramento, either at the E.A. Fairbairn Water Treatment Plant or the Sacramento River Water Treatment Plant, will not

have an effect on Folsom Lake operations. The reservoir will be operated normally, but water that otherwise would be diverted by the City of Sacramento will be allowed to flow into the lower Sacramento River and Sacramento/San Joaquin Delta where it will be exported at either the CVP or SWP pumping plants in a manner consistent with all regulatory requirements and the EWA Operating Principles. As such, the project will involve minor changes in the operation of Folsom Lake, and minor increases in flow within the lower American River, the lower Sacramento River, and into the Sacramento/San Joaquin Delta.

Northridge Water District has accounted for the delivery of 5,000 AF of surface water in lieu of the extraction of groundwater by Citrus Height and Fair Oaks so that the acquisition of water by Reclamation will not result in, or cause, long-term adverse impacts to the groundwater basin underlying Sacramento County north of the American River or nearby surface streams or creeks. Similarly, the City of Sacramento has accounted for the delivery of 5,000 AF of surface water in lieu of its extraction of groundwater so that the acquisition of water by Reclamation will not result in or cause long-term adverse impacts to the groundwater basin in Sacramento County north of the American River or nearby surface streams or creeks.

4.0 Other Pertinent Studies and Documents

4.1 CALFED EIS/EIR and Record Decision

The CALFED Bay-Delta Program is a long-term comprehensive plan with the purpose of restoring ecological health and improving water management for beneficial uses in the San Francisco Bay/ Sacramento-San Joaquin Delta (Bay-Delta) estuary system. The long-term plan was developed by the CALFED lead agencies, responsible agencies, and stakeholder agencies as a starting point from which a range of actions could be specifically reviewed, evaluated, and carried out. The CALFED Final Programmatic Environmental Impact Statement/ Environmental Impact Report (Programmatic EIS/EIR) presented the general environmental consequences of the long-term plan. The final long-term plan is identified and explained in the August 28, 2000, CALFED Bay-Delta Program Programmatic ROD.

To achieve the CALFED Bay-Delta Program purpose, CALFED will concurrently and comprehensively address the problems of the Bay-Delta system within each of four resource categories: ecosystem quality, water quality, water supply reliability and levee system integrity. In the ROD, CALFED identified additional fisheries protection measures to speed the recovery of fish species listed under the California and federal Endangered Species Acts. One such measure was the creation and implementation of EWA. These additional protection measures are above and beyond the baseline regulatory measures discussed in the Programmatic EIS/EIR.

The CALFED Final Programmatic EIS/EIR and the August 28, 2000, CALFED Bay-Delta Program ROD described multi-disciplinary, comprehensive approaches to improve the ecological condition of the Sacramento-San Joaquin Delta. The implementation of the EWA was one recommended action of these documents. In 2001, the EWA began operation by purchasing water from various sources throughout the state and successfully

allowed more flexible management of SWP and CVP water pumps in the Delta with respect to environmental needs, particularly fisheries.

4.2 Environmental Water Account

The EWA is a cooperative management program implemented by five CALFED agencies. The three CALFED Management Agencies (the USFWS, NMFS, and DFG) have primary responsibility for managing the EWA assets and exercising their biological judgment to determine which SWP and CVP operational changes are beneficial to the Bay-Delta ecosystem and/or the long-term survival of fish species, including those listed under the State and Federal Endangered Species Acts.

The two EWA Project Agencies are Reclamation and DWR. These two agencies must cooperate with the Management Agencies in administering the recommended operational adjustments necessary for EWA implementation and are also responsible for water/asset acquisition, including banking, borrowing, transferring, selling, and arranging for the conveyance of EWA assets.

The overall purpose of the EWA is to promote flexible water project management to provide additional protection and recovery of the fisheries of the Bay-Delta. To accomplish this purpose, the EWA will incorporate environmentally beneficial changes to the operation of the SWP and the CVP at no water cost to their water users. The EWA, therefore, serves to meet CALFED's objectives for ecosystem quality without affecting water supply reliability. The EWA is intended to provide sufficient protections when combined with the Ecosystem Restoration Program and the CALFED regulatory baseline, to assure that CALFED's ecosystem quality commitments for fish protection, restoration, and recovery are met. This approach to fish protection requires project agencies to acquire alternative sources of project water supplies. The EWA assets will be used to:

- Augment streamflows and Delta outflows.
- Modify exports to provide fishery benefits during critical life history periods.
- Replace project water supply interrupted by the changes to project operations.

The EWA will not be used to meet any new regulatory requirements under statutes other than the Federal Endangered Species Act and the California Endangered Species Act. The EWA will not create additional water sources for agricultural, urban, or industrial users in California. EWA will purchase water only from willing sellers that have demonstrated that local water needs are not impinged upon as a result of EWA transactions.

A critical component of the EWA program is the acquisition of EWA assets to promote and enable flexible SWP and CVP water management, particularly with respect to SWP and CVP intake pumps in the Delta. The Project Agencies are tasked with acquisition of EWA assets. In 2001, the Project Agencies acquired initial EWA assets and successfully implemented all EWA objectives. In 2002, the successful implementation of EWA will require new water assets, including new water acquisitions. Purchasing stored water from willing sellers in geographically and logistically suitable locations is a crucial part of the EWA to function and fulfill its mandate as specified in the CALFED ROD.

The EWA will be in effect for the first four years of Stage 1 of the CALFED Bay-Delta Program. Attachment 1 describes details of the proposed four-year EWA program, including the way in which assets could be used for the EWA, as specified in the CALFED ROD. Under the EWA, acquired assets will be used to efficiently manage water for environmental purposes while decreasing water use conflicts in the Bay-Delta estuary. By enabling more flexible management of water operations, implementation of the EWA along with existing fish conservation measures will achieve substantial fish protection, provide fish recovery opportunities, and may potentially provide improvements in water supply reliability and quality.

In accordance with the CALFED ROD, the EWA will allow the CVP and SWP to meet water delivery assurances to their contractors, and will allow them to meet Federal and State ESA commitments. Pumping and export curtailments, usually necessary between mid-December and mid-June and from September through October, are required for fish protection purposes in the Delta at CVP and SWP pumping plants. The EWA Management Agencies determine when export curtailments are required at CVP and SWP pumping plants. When the Management Agencies request an export curtailment to protect fish, the EWA Project Agencies are required to curtail pumping at the Delta pumping plants.

By the beginning of each year, the EWA should be operational in order to provide ESA commitments to water contractors. For any given year, the EWA is considered operational when the one-time purchase of 200,00 AF of stored water or its function equivalent is acquired from south-of-Delta sources; and when deposits of 185,000 AF have been purchased from north and south-of-Delta sources, a source shifting agreement of at least 100,000 AF is in place, and EWA's variable assets (b[2]/Ecosystem Restoration Program (ERP) upstream releases, SWP excess capacity, export/inflow ratio relaxation, and 500 cubic feet per second (cfs) of SWP pumping increase) are in place. These sources of water for the EWA are called its fixed and stored assets, respectively. Considering the possibility of future funding constraints, unavailability of water purchases, and extraordinary hydrologic conditions, it is possible the EWA may not be operational or functional at the beginning of a year and that, after exhausting available EWA assets, the Management Agencies may have to implement pumping and export curtailments to protect special status fish. Without additional EWA assets or borrowing agreements with the Project Agencies, further export curtailments would likely require the activation of EWA's Tier 3 assets. To acquire additional assets for the EWA, the Project Agencies would identify and purchase water from purveyors to make up for the curtailed water.

During 2000, the first year of EWA, State funds and State facilities were used to create an operable EWA program. During years two through four of the EWA both Federal and State funds will be required to acquire EWA assets and implement the EWA. CEQA documents were prepared for EWA actions in year one. Joint CEQA/NEPA documents will be prepared for EWA actions in years two through four.

4.3 Consistency with Other Plans and Policies

Alternatives presented in this EA/IS will comply with Delta agreements documents and regulations, and with SGA service area's local plans and policies, as follows:

Sacramento-San Joaquin Bay-Delta Regulations

- Water Quality Control Plan for the San Francisco Bay/ Sacramento-San Joaquin Delta Estuary (California State Water Resources Control Board 1995)
- Central Valley Project Improvement Act

Coordination Operations Agreement (1986)

- The EWA Project Agencies shall continue to adhere to the general sharing principles contained in the 1986 Agreement Between the United States of America and the State of California for Coordinated Operations of the Central Valley Project and the State Water Project (COA) as modified by interim operating agreements to reflect changes in regulatory standards, facilities, and operating conditions, including the EWA.

CALFED Environmental Compliance Agreements (where applicable)

- Clean Water Act Section 404 MOU
- Conservation Agreement Regarding Multi-Species Conservation Strategy
- Programmatic Endangered Species Act Section 7 Biological Opinions
- Natural Community Conservation Plan Determination
- Clean Water Act Section 401 agreement

5.0 NO PROJECT ALTERNATIVE

The "No Project (or No Action) Alternative" assumes that the current water use conditions would remain as they are currently. As a consequence, San Juan and the City of Sacramento would not provide 10,000 AF of surface water to the CVP, there will be no additional groundwater extraction from the groundwater basin underlying Sacramento County, and normal surface water diversions would take place from Folsom Lake or the lower American River for consumptive use. This alternative would not meet the objective of the proposed Project, (specifically, providing American River Water to the EWA within and downstream of Folsom Lake). The less than significant impacts of the proposed Project would not occur under this alternative. These include less than significant effects upon several resources enumerated in this EA/IS and the Environmental Checklist.

6.0 ENVIRONMENTAL FACTORS AFFECTED

The environmental setting and potential environmental effects of the proposed Project and No Action Alternative are discussed below. The following categories were used to evaluate the expected effects discussed in this document:

- *Aesthetics*
- *Air Quality*
- *Agricultural Resources*
- *Biological Resources*

- *Cultural Resources*
- *Geology and Soils*
- *Hazards and Hazardous Materials*
- *Hydrology and Water Quality*
- *Land Use and Planning*
- *Mineral Resources*
- *Noise*
- *Population and Housing*
- *Public Services*
- *Recreation*
- *Transportation/Traffic*
- *Utilities and Service Systems*
- *Environmental Justice*
- *Indian Trust Assets*

A finding of "no effect" would cause no change to the specific environmental resource being analyzed. A "less than significant effect" would cause some change to the resource, but the change was determined to be minimal and no substantial adverse or negative change in the resource would result.

Conversely, a finding of "significant effect" would be one that causes a substantial adverse or negative change in the environmental resource. A "significant effect" assessment would require the addition of specific mitigation measures to reduce the effect to a level of "less-than significant."

The criteria used in this EA/IS are those criteria listed in the CEQA Guidelines. Potentially beneficial effects, defined as potential positive changes in the environment, are identified in the checklist if appropriate.

Under Section 15125(a) of CEQA, the level of significance is typically determined by comparing the expected project effect on a resource to the existing environmental conditions (the affected environment, or environmental setting) for that resource. Under NEPA, the environmental effects resulting from taking no action (the "No Action Alternative") usually serve as the baseline from which to compare any potential project effects. In this study, the environmental effects of taking no action are the same as the existing environmental conditions.

6.1 Environmental Consequences of Proposed Project

The physical actions described above are being reviewed in this EA/IS to assure full disclosure to the agencies and the public of the activities being undertaken by the SGA and its member agencies, and Reclamation. There are, however, no discretionary permitting actions required under State law to implement the proposed actions. Citrus Heights, Fair Oaks, and City of Sacramento do not need permits to extract 10,000 AF of groundwater during 2002. The City of Sacramento does not require permission to forbear diversion under its water rights on the lower American River. San Juan does not require permission to reduce diversions under its CVP contract entitlement [Note: A transfer by San Juan of a portion of its CVP supplies to the EWA will require completion of certain administrative actions as required by the Central Valley Project Improvement Act (CVPIA).]

Furthermore, it is likely the activities proposed by the SGA and members, and Reclamation would meet the criteria of one or more Statutory or Categorical Exemptions from CEQA under Section 15262 of the Guidelines for feasibility and planning studies. Nevertheless, the SGA and its members, and Reclamation, believe it is in the public interest to prepare and circulate this EA/IS that fully discloses the proposed Project and the Project environment, and explains why significant adverse affects on the environment are not anticipated. Under NEPA, however, the action is not exempt and is a federal action involving the transfer of water. This EA/IS will be used in Reclamation decision-making on this federal action.

6.2 Environmental Consequences of the No Action Alternative

Under the No Action Alternative, the San Juan and the City of Sacramento would not provide 10,000 AF of surface water to the EWA. There will be no additional groundwater extraction from the groundwater basin underlying Sacramento County, and normal surface water diversions would take place from Folsom Lake and the lower American River for consumptive use. Therefore, the No Action Alternative would have a less-than-significant effect.

7.0 COORDINATION CONSULTATION

The SGA and its member agencies have met with the Water Forum Successor Effort (WFSE) and the Sacramento Area Flood Control Agency (SAFCA) to discuss the purpose and need for the proposed Project/Action during the preparation of this EA/IS. The WFSE consists of over 40 entities representing State and Federal agencies, county governments, environmental groups, businesses, non-profit and private organizations, and others who have an interest in the lower American River basin. SAFCA oversees and administer flood control measures throughout the greater Sacramento region. Reclamation has also discussed the Proposed Project/Action with the EWA Team, which consists of USFWS, NMFS, DWR, Western Area Power Administration, and the CDFG.

Pursuant to Section 7 of the Federal Endangered Species Act, Reclamation has consulted with the USFWS and NMFS regarding potential effects that the proposed Project/Action could have on listed species. Because the Proposed Project/Action, as described in the EA/IS is for only one year and involves small quantities of water in relation to affected groundwater and surface water supplies, the project will not have a significant negative impact on the environment. However, the Proposed Project/Action could have a beneficial effect on anadromous fish species in the lower American River because the water made available in Folsom Reservoir will be released based on the recommendation of the EWA Management Agencies at a time when there may be needs for additional releases. In addition, the water purchased by the EWA will be exported at the CVP or SWP Delta facilities in accordance with all existing biological opinions and regulatory requirements and used in exchange for reductions in export pumping at times that are beneficial to fish. Reclamation has requested concurrence by the USFWS and NMFS

with its determination that the Proposed Project/Action is not likely to adversely effect listed threatened or endangered species.

8.0 CUMULATIVE EFFECTS

8.1 Introduction

Cumulative effects result from the incremental impact of actions when they are added to other past, present, and reasonably foreseeable future actions, regardless of which agency or entity undertakes them. Cumulative effects can result from individually minor, but collectively significant actions taking place over time. CALFED actions, Central Valley Project Improvement Act (CVPIA) actions, and ongoing SWP and CVP operations and actions, in particular, are all highly adaptable as these programs adjust to the substantial changes in hydrologic, environmental, regulatory, and water supply conditions that annually occur throughout California.

8.2 Other Related Projects

The EWA Program for 2002 includes upstream acquisitions, stored water and 2001 carryover surface supply. In addition to the EWA, DWR's Dry Year Program and the Critical Water Shortage Contingency Plan, CALFED's Environmental Water Program (EWP), and USBR's Central Valley Project Improvement Act (CVPIA) Level 4 Wildlife Refuge Water Purchase Program may need to acquire north of the Delta water supply options during 2002. Implementation of the Sacramento Valley Water Management Agreement (Phase 8 of the water rights proceedings from the 1995 Water Quality Control Plan) may also include north of Delta water supply actions. These efforts, which are described briefly below, will need to be coordinated.

EWA 2001 Program

The EWA 2001 Program involved acquiring the basic assets as specified in the CALFED ROD. This included a source shift agreement and purchases of banked water similar to the Proposed Action Alternative both north and south of the Delta. Because 2001 was a dry year, only 50,000 AF of the source shift agreement were exercised. A recent internal analysis of the 2001 EWA program showed no significant increase in energy use by the SWP. Additionally, a scientific panel convened in October 2001 to critically review the EWA 2001 Program. The panel concluded that assets were acquired successfully and the EWA Team made reasonably good decisions in a timely manner (see website for Science Panel review report [http://calfed.water.ca.gov/adobe_pdf/EWAReview_Final.pdf]). The panel recommended expanding the program, increasing staffing for the program, synthesizing the data, and documenting decision rationale while retaining flexibility for decision-makers in the program. Because 2001 was the first year of operation of EWA, analyses of potential long-term beneficial environmental effects are difficult to perform due to a

lack of sufficient data, but all indications are that no significant negative environmental effects were incurred during 2001.

Dry-Year Program

In 2001 the Dry-Year Program acquired approximately 138,800 AF of water. DWR initiated the 2002 Dry Year Program in November 2001. DWR is negotiating water supply options that could be exercised by Spring 2002 if this is a dry year. The Dry-Year Program will also allow agencies that sign up and pay deposits prior to the end of March 2002 to participate in direct purchases of water provided by willing sellers and brokered through DWR. The program is open to all agencies and is intended to reduce the possibility of adverse economic impacts and hardship associated with water shortages. The quantity of water to be acquired is unknown and will depend on requests made by participants, if any, in the Dry-Year Program and what options are exercised in their contracts.

Critical Water Shortage Contingency Plan

The Critical Water Shortage Contingency Plan was prepared in response to the commitment in the CALFED ROD that California's Governor would convene a panel to develop a "contingency plan to reduce the impacts of critical water shortages primarily for agricultural and urban water users." The plan identified all available resources (e.g., water transfers, water exchanges, groundwater programs, and local partnerships), building upon the experience gained with the Governor's Drought Water Bank, to minimize such shortages. The plan also recommended appropriate funding mechanisms.

DWR received $10.5 million in the current fiscal year to implement programs recommended by the Panel: financial assistance to local agencies for preparing AB 3030 plans and integrated water management plans, technical assistance for small water systems and rural homeowners with private wells, new groundwater data collection, and preparation of a programmatic EIR for a critical water shortage purchasing program. DWR is proceeding with these activities, as well as with an outreach program as recommended by the Panel.

CALFED Environmental Water Program

CALFED's EWP is a water acquisition program with the goal of buying water from willing sellers to augment instream flows in tributary streams of the Sacramento and San Joaquin River systems. The EWP intends to initiate pilot water acquisition projects in up to three tributary watersheds in 2002. The pilot water acquisition projects will serve to provide important information, including biological, hydrological, and economic factors, and the monitoring and tracking of benefits and water. This information will be used in developing and implementing a long-term plan for the EWP. How much water would be acquired and in what watersheds is unknown at this time; however, the EWA will coordinate with the EWP when such information becomes available.

CVPIA Level 4 Wildlife Refuge Water Purchase Program

In 2002, Reclamation will acquire incremental Level 4 Refuge water supplies to meet CVPIA requirements under Section 3406 (d)(2). For the 2003 Contract Year (March 2002 through February 2003) up to 96,000 AF will be acquired to meet optimum refuge management needs. The actual amount of water to be acquired will be dependent on refuge needs and funding availability. Reclamation is also involved in management and/or acquisition of spring and fall water flows of up to 184,000 AF in support of the San Joaquin River Agreement and the Vernalis Adaptive Management Plan (VAMP).

Sacramento Valley Water Management Agreement

This agreement signed in 2001 is a collaborative effort to increase water supplies to farms, cities and the environment. It is being implemented in lieu of proceeding with Phase 8 of the State Water Resources Control Board's water right process for the Bay-Delta. Implementation may include coordinated use of storage facilities, conjunctive management of surface water and groundwater, management and recovery of tailwater through major drains, water conservation, and transfers and exchanges. A long-term workplan for water management projects will be completed by May 2002.

Other Water Transfers

Other water transfers between currently unknown and unidentified parties also may be proposed and undertaken in 2002. The number and volume of water transfers in 2002 is to a great degree, dependent upon statewide precipitation patterns and hydrologic conditions. Consequently, it would be very speculative and likely inaccurate to attempt to determine what other transfers will be proposed and implemented.

8.3 Cumulative Effects of Proposed Action Alternative and Other Related Projects

The Proposed Action Alternative is a one-year project for the sale of water to the CALFED EWA. The short term of this project precludes any significant cumulative impacts from occurring. There would be no effects/impacts to SWP, CVP, or other related water facilities and programs and these facilities would continue their normal planed operations in 2002. Therefore, the Proposed Action Alternative would have no cumulative effects on the environment.

8.4 Cumulative Effects of the No Action/ Project and Other Related Projects

Under the No Action Alternative, there would be no groundwater pumping from SGA's groundwater banks. Furthermore, there would be no impacts to other related water facilities and programs and these facilities and programs would continue their normal planned operations in 2002 and beyond. The EWA would seek to acquire water from

another source and would continue 2002 operations in a similar manner as 2001. The No Action Alternative, therefore, would have no cumulative effect on the environment.

9.0 MANDATORY FINDINGS OF SIGNIFICANCE

9.1 Proposed Project/Action

As the analysis and discussion in the Environmental Checklist and Discussion (See Attachment 3) indicated, the proposed Project would not have the potential to substantially or significantly degrade the quality of the environment. The proposed Project would be conducted entirely within the existing SWP/CVP operations in the State of California. No new structures would be constructed. Therefore, the proposed Project would not eliminate important remnants of California history. Additionally, it would not contribute to significant cumulative environmental effects. No direct or indirect impacts to the human environment or biological resources are anticipated if the project is implemented

As described in the analysis and discussion in the Environmental Checklist at Discussion, there would be no significant adverse effects on environmental resources or existing features of the human environment. Therefore, no mitigation measures would be necessary or proposed under the Project to reduce effect to a level of non-significance.

9.2 No Action Project/ Action

Under the No Action Alternative, the San Juan Water District and the City of Sacramento would not provide 10,000 AF of surface water to the EWA. There will be no additional groundwater extraction from the groundwater basin underlying Sacramento County, and normal surface water diversions would take place from Folsom Lake or the lower American River for consumptive use. Therefore, the No Action Alternative would have a less-than-significant effect on the environment.

The No Action Alternative would cause no significant adverse effects on any environmental resources or existing features of the human environment. Therefore, there would be no mitigation measures proposed or required under the No Action Alternative.